

FINANCE & UTILITY COMMITTEE MEETING
Tuesday, November 20, 2018, 6:00 PM

The Committee meeting was called to order at 6:00 p.m. by Mayor Jeff Snoots. Those present included: Mayor Jeff Snoots, Council Member John Dayton, Council Member Tom Smith, Citizen Rep Carroll Jones, City Administrator David Dunn, City Clerk Carrie Myers, Public Works Director John Gerstner, Chief of Police Milt Frech; and Accountant Rich Marshall.

- Joe Mason, Davenport & Company – 811 Funding Options

Mr. Mason discussed borrowing options to fund 811 West Potomac Street, as well as debt service, interest rates, etc.

Based off of discussions with Mr. Mason, Mr. Dunn recommended borrowing money now, at the beginning of the project, to take advantage of lower interest rates, then use the City's budgeted funds in the latter part of the project. The City's funding would continue to earn interest in the meantime.

Mr. Mason said the City could pass an ordinance authorizing up to \$4 million in borrowing, then only take out what we'd need to complete the structures at 811 West Potomac Street. Davenport will work with Venable, the City's Bond Counsel, to begin drafting an ordinance.

The Committee recommended discussing this item at the next full Council Meeting.

Mr. Mason also brought up the possibility of refinancing in excess of \$1.6 million of special taxing district bonds set up for Brunswick Crossing. Refinancing these bonds would decrease the overall amount of special taxing district funds owed by each Brunswick Crossing resident. Mr. Mason stated this transaction could take place in first quarter, 2019. The Committee recommended pursuing refinance options.

- Engineering Services – John Strong & Jason Azar, Clark/Azar

- 811 West Potomac Street

Mr. Strong stated that up until this point, the City has only had elevation drawings of 811 West Potomac Street, and architectural drawings are needed to move forward with engineering estimates. The Committee recommends approval of \$87,300 worth of work to Clark/Azar to complete these drawings be taken to the next Council Meeting.

- Martin's Creek

Mr. Strong discussed the deteriorating side walls of the underground culvert beneath Square Corner Park that Martin's Creek runs through. The Committee recommends approval of \$21,500 worth of design work to Clark/Azar to complete the design specifications be taken to the next Council Meeting.

- West End Park/Brunswick Street

Staff discusses how this bid was sought based off of initial damage caused by May flooding. Since that time, MDE has stated they would be satisfied with minimal work to stabilize the area. FEMA is also establishing a scope of work to complete repairs. The Committee recommended not approving the Clark Azar estimate, but rather asking John Strong to review the FEMA scope of work when it is completed.

- Public Works Yard

Mr. Strong gave an update on this project, stating that a survey had been received, therefore concept plans for improvements would be forthcoming.

- Thirteenth Avenue Pole Barn Funding

Staff mentioned that there is not available money coming from any source to fund this building, such as MEMA or FEMA, nor any grants they are aware of. The estimate for the building is approximately \$210,000, plus approximately \$42,000 for a retaining wall. An estimate for electric work will also need to be obtained. The Committee directed Mr. Gerstner to move forward with obtaining additional estimates.

- Utility Bill Payment Plans

Staff stated that currently, residents can begin a payment plan once every two years, but with some additional staff input, this could be changed to once every year. The Committee recommended staff amend the payment plan process and bring it to the Council for approval. There were no changes discussed to the length of the payment plan cycle.

- Utility Billing Cycle

The Committee recommended tabling this discussion until after the completion of the third party audit of the utility billing system.

The Committee would also like staff to explore options for third party devices that allow residents to track their own water usage.

The meeting adjourned at 7:45 pm.

-Prepared and submitted by Carrie Myers